

LOCAL NARCOTICS CONTROL PROGRAM AND METROPOLITAN CONTROLLED SUBSTANCE ENFORCEMENT GROUP

DBA METRO

Benton County, Washington

November 1, 1990 Through June 30, 1992

Schedule Of Federal Findings

1. Accounting Records Should Be Processed, Reconciled, And Closed In A Timely Fashion

The accounting functions of the Local Narcotics Control Program and Metropolitan Controlled Substance Enforcement Group (METRO) are the responsibility of the finance director of the City of Pasco. The financial accounting in the computer system was not closed either at June 30, 1992, 1991, or 1990. No attempt was made to maintain reconciliations of key accounts, calendar year "automatic" entries generated by the computer were not reversed, and year-end adjusting journal entries were not posted to the computer. Reimbursement requests to grantors were prepared on worksheets not readily traceable to the central accounting system.

This lack of timely accounting creates an internal control weakness wherein errors or irregularities could occur and not be detected in a timely fashion.

In addition to the control weakness, the condition of the records increased METRO's auditing costs significantly. The audit was originally budgeted for 40 hours at an estimated cost of \$1,884. The above conditions added 156 hours of audit costing an additional \$7,347.

It would appear that the finance director does not have sufficient time in addition to his primary duties to adequately perform accounting functions for METRO.

We recommend accounting records be processed, reconciled, and closed in a timely fashion. We further recommend METRO consider funding at least a part time position to perform the accounting and reporting function in a timely fashion.